December 10, 2010

Manucher Alemi, Ph.D., P.E. Chief, Water Use and Efficiency Branch Division of Statewide Integrated Water Management Department of Water Resources 901 P Street Sacramento, CA 95814

RE: SBX7-7 Urban Stakeholder U4 Subcommittee Comments on Hybrid Method 4 Proposal and Process

Dear Mr. Alemi:

Thank you for the opportunity that the California Department of Water Resources (DWR) has continued to provide California Urban Water Agencies (CUWA) by allowing our participation in the U4 Subcommittee of the Urban Stakeholder Committee (USC). You requested that CUWA provide any additional feedback or suggestions regarding DWR's most recent Hybrid Method 4 Proposal by December 10, 2010. The purpose of this letter is to address this request and to request that DWR convene the U4 Subcommittee as soon as practical to see if consensus can be achieved regarding the fourth methodology for calculating demand reduction targets (Method 4).

CUWA has reviewed DWR's Hybrid Method 4 and determined that it does not properly address various key issues, including land density or ease of implementation. The specifics of these concerns are described in greater detail by several USC members in their Method 4 correspondence to Mark Cowin (DWR) dated December 10, 2010. CUWA concurs with the USC members that DWR should only use the two Method 4 options discussed at the October 15, 2010 USC meeting to refine and finalize Method 4; the October 15th methods included one based on full implementation of the California Urban Water Conservation Council Best Management Practices and a second that was based on an estimation of indoor residential, outdoor residential, and commercial, institutional and industrial use. We also believe that DWR should: 1) reconsider these October 15, 2010 method elements and their related data; and, 2) present refined October 15th methodologies for USC consideration and to secure their support.

CUWA understands that time is of the essence; therefore, we are prepared to meet with DWR and with our other USC members immediately to see if we can collectively work to secure consensus around the October 15, 2010 proposals and related revisions. We look forward to continuing to work with DWR and other U4 Subcommittee stakeholders in that regard.

Should you have any questions regarding this, please feel free to contact me at (916) 552-2929.

Sincerely,

Ernesto A. Avila, P.E. Executive Director

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